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9 May 1983

98TH CONGRESS
1ST SESSION

S. 999

To amend the Communications Act of 1934 to provide for improved international telecommunications, and for other purposes.

(Annotated)

IN THE SENATE OF THE UNITED STATES

APRIL 7 (legislative day, APRIL 5), 1983

Mr. BAKER (for Mr. GOLDWATER) (for himself, Mr. PRESSLER, and Mr. HOLLINGS) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

6

A BILL

To amend the Communications Act of 1934 to provide for improved international telecommunications, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "International Telecommu-
4 nications Act of 1983".

FINDINGS

6 SEC. 2. The Congress hereby finds and declares that ---
7 (1) rapid advances in international telecommunica-
8 tions technologies are making possible increased

1 competition among providers of international telecom-
2 munications services;

3 (2) competition is a more efficient regulator than
4 Government of the provision of diverse international
5 telecommunications services and, as competition con-
6 tinues to develop, deregulation of international tele-
7 communications carriers and services should occur;

8 (3) it is essential to encourage the entry of new
9 carriers in the offering of international telecommunica-
10 tions services and facilities; and

11 (4) the Nation's international telecommunications
12 carriers, facilities, and services are vital to meeting the
13 needs of national defense and emergency preparedness
14 and to maintaining the economic competitiveness and
15 technological leadership of the United States.

16 TITLE I—GENERAL

17 FEDERAL COMMUNICATIONS COMMISSION; INTERNATIONAL
18 TELECOMMUNICATIONS

19 SEC. 101. The Communications Act of 1934, as amend-
20 ed (47 U.S.C. 151), is amended by inserting immediately
21 after title V the following new title:

1 "TITLE VI—INTERNATIONAL
2 TELECOMMUNICATIONS

3 "DEFINITIONS

4 "SEC. 601. For the purposes of this title, unless the
5 context otherwise requires, the term—

6 "(1) 'foreign or international telecommunications', *includes*
7 'foreign or international telecommunications service'
8 means telecommunications or transmission from or to
9 any place in the United States to or from a foreign
10 country, or between a station in the United States and
11 mobile station located outside the United States;

12 "(2) 'information service' means the offering of a
13 capability for generating, acquiring, storing, transform-
14 ing, processing, retrieving, utilizing, or making
15 available information which may be conveyed via tele-
16 communications, except that such service does not in-
17 clude any use of any such capability for the manage-
18 ment, control, or operation of an international telecom-
19 munications system or the management of an interna-
20 tional telecommunications service;

21 "(3) 'regulated telecommunications service' or
22 'regulated service' means any international telecommu-
23 nications service designated by the Commission pursu-
24 ant to this Act and which the Commission determines
25 shall be regulated pursuant to this Act, and any inter-

1 national telecommunications service or facilities not
 2 subject to effective competition as determined by the
 3 Commission pursuant to section 604(b) of this title;

4 “(4) ‘resale’ means the reoffering, with or without
 5 adding value, by any person for a profit of any interna-
 6 tional telecommunications service which has been ob-
 7 tained from a carrier;

excludes 8 “(5) ‘sharing’ or ‘shared use’ means the collective
 9 use of telecommunications services or facilities with
 10 each user paying the telecommunications-related costs
 11 associated with subscription to and collective use of the
 12 telecommunications services or facilities according to
 13 its pro rata usage of such services or facilities;

includes 14 “(6) ‘telecommunications’ means the transmission,
 15 between or among points specified by the user, of in-
 16 formation of the user’s choosing, without change in the
 17 form or content of the information, by means of elec-
 18 tromagnetic transmission, with or without benefit of
 19 any closed transmission medium, including all instru-
 20 mentalities, facilities, apparatus, and services (including
 21 the collection, storage, forwarding, switching, and de-
 22 livery of such information) essential to such
 23 transmission;

24 “(7) ‘international telecommunications carrier’ or
 25 ‘carrier’ means any person, including any government

1 or independent government entity, which offers any in-
2 ternational telecommunications service for hire. A ← *excludes*
3 person engaged in any nontelecommunications activi-
4 ties, in providing any information service or informa-
5 tion software, in producing or marketing equipment, or
6 a person engaged in broadcasting, or in providing any
7 cable service, shall not, insofar as such person is so en-
8 gaged, be deemed a carrier. The shared use of tele-
9 communications equipment, facilities or services among
10 Government agencies, or the provision of telecommuni- ← *excludes*
11 cations equipment facilities or services by any Govern-
12 ment agency to any other Government agency, shall
13 not be sufficient to deem such Government agencies to
14 be a carrier;

15 “(8) ‘transmission facilities’ or ‘telecommunica-
16 tions facilities’ means equipment (including wire, cable,
17 microwave, satellite, and fiber optics) which transmit
18 information by electromagnetic means or which directly
19 support such transmission, but does not include cus-
20 tomer-premises equipment; and

21 “(9) ‘United States’ means the several States and
22 territories, the District of Columbia, and the posses-
23 sions of the United States.

1 "STATEMENT OF POLICY

2 "SEC. 602. (a) It is the policy of the United States to
3 rely wherever and whenever possible on marketplace compe-
4 tition and on the private sector to provide international tele-
5 communications services, and to reduce unnecessary regula-
6 tion and to encourage entry by new carriers into the interna-
7 tional telecommunications marketplace. Marketplace compe-
8 tition will result in technological innovation, operating effi-
9 ciencies, and availability of a wide variety of telecommunica-
10 tions technologies that are now or may become available in
11 the future, and will promote the equitable and efficient use of
12 such technologies to provide international telecommunica-
13 tions services. Where effective competition does not now
14 exist, it is the policy of the United States to encourage the
15 development of such competition. Whenever the Commission
16 finds it necessary to regulate international telecommunica-
17 tions services or facilities which are not subject to effective
18 competition, such regulation shall be the minimum needed to
19 accomplish the purposes of this Act. It shall be presumed
20 that there are no basic technological, operational, or econom-
21 ic factors which would necessarily preclude the provision of
22 any international telecommunications service under condi-
23 tions of competition.

24 "(b) The Congress recognizes that the provision of inter-
25 national telecommunications services, and the planning, con-


1 struction, and ownership of international telecommunications
2 facilities, are necessarily joint undertakings between United
3 States persons and representatives of numerous sovereign na-
4 tions. Accordingly, the interests of those sovereign nations
5 are to be considered in the implementation of United States
6 policy.

7 “(c) It shall be the policy of the United States to pro-
8 mote, including through meetings with foreign telecommuni-
9 cations entities, the deregulation of the resale or shared use
10 of any international telecommunications service.

11 “(d) It shall be the policy of the United States to pro-
12 mote the interconnection of international telecommunications
13 facilities based upon the cost of providing such facilities.

14 “AUTHORITY OF THE COMMISSION

15 “SEC. 603. (a) The Commission shall exercise only so
16 much of the powers conferred upon it under this Act as is
17 essential to the purposes of this title. The Commission shall
18 revise, reduce, or eliminate any rule or regulation prescribed
19 pursuant to this Act, and exempt any person in whole or in
20 part from the requirements of this Act with respect to any
21 international telecommunications service or any carrier oper-
22 ating in any market or a geographic area as competition de-
23 velops unless such revision, reduction, or elimination thereof
24 may result in a significant adverse impact upon the national
25 defense and security or emergency preparedness or upon the



1 economic competitiveness and viability of United States sup-
2 pliers of telecommunications equipment and international
3 telecommunications services relative to competing foreign
4 suppliers and their United States affiliates.

5 “(b) The Commission shall have continuing authority
6 over the provision of regulated international telecommunica-
7 tions services.

8 “CLASSIFICATION OF SERVICES

9 “SEC. 604. (a) Not later than 30 days after the date of
10 enactment of this title, the Commission shall identify, and
11 cause to be published in the Federal Register, a list of those
12 international telecommunications services which are regulat-
13 ed by the Commission on the date of enactment of this title.

14 “(b)(1) The Commission may classify or reclassify as a
15 regulated international telecommunications service any inter-
16 national telecommunications services or facilities where it de-
17 termines after a hearing that—

18 “(A) such services or facilities are not subject to
19 effective competition;

20 “(B) Federal regulation of such services is re-
21 quired to accomplish the purposes of this title; and

22 “(C) the benefits of such regulation outweigh the
23 costs.

24 “(2) In making such a determination under paragraph
25 (1) the Commission shall consider—

1 “(A) the number and size of unaffiliated providers
2 of service or facilities;

3 “(B) the extent to which service or facilities are
4 available from unaffiliated providers in the relevant
5 geographic area or market;

6 “(C) the ability of such unaffiliated providers to
7 make such service or facilities readily available at com-
8 parable rates, terms, and conditions;

9 “(D) whether the service of facilities are neces-
10 sary to the Nation during a state of public peril or dis-
11 aster or other national emergency;

12 “(E) the extent to which United States carriers
13 are accorded fair access to or interconnection in foreign
14 markets in the provision of international telecommuni-
15 cations service or facilities; and

16 “(F) other indicators of the extent of competition.

17 “TRANSITIONAL PROVISIONS OF CERTAIN SERVICES

18 “SEC. 605. (a) Each international telecommunications
19 service which is being provided under tariff on the date of the
20 enactment of this title shall continue to be provided under
21 tariff for a period of not less than 1 year from such date.

22 “(b) Not later than 1 year after the date of enactment of
23 this title, the Commission shall determine, after an expedited
24 hearing in which any interested party may join, which of the
25 international telecommunications services described in sec-

1 tion 604(a) must continue to be regulated pursuant to section
2 604(b)(1).

3 “(c)(1) Any international telecommunications service for
4 which the Commission fails to make the determination speci-
5 fied in section 604(b) shall be deregulated.

6 “(2) Upon its own motion, or upon petition, the Com-
7 mission shall revise at least once every 2 years any determi-
8 nation that any international telecommunications service is to
9 be regulated pursuant to section 604(b). Upon making a de-
10 termination that a service is subject to effective competition,
11 the Commission shall deregulate such service.

12 “INTERCONNECTION

13 “SEC. 606. (a) Every international telecommunications
14 carrier—

15 “(1) shall, if a reasonable request is made, estab-
16 lish interconnection of its regulated service or facili-
17 ties—

18 “(A) with any telecommunications carrier;

19 “(B) with any telecommunications facility or
20 private or Government telecommunications
21 system; and

22 “(C) with any customer premise equipment
23 which is owned or leased by a customer of such
24 carrier;

1 “(2) may not discriminate in an unreasonable or
2 unjust manner with respect to the charges, terms, and
3 conditions for interconnection of its regulated service or
4 facilities; and

5 “(3) such charges, terms or conditions for inter-
6 connection shall be based on cost of such services or
7 facilities provided for such interconnection.

8 “(b) For purposes of subsection (a)(1)(A), the Commis-
9 sion shall require that—

10 “(1) if any telecommunications carrier engages
11 both in the offering for hire of international telecommu-
12 nications services and in the offering for hire of
13 domestic communications services, then such telecom-
14 munications carrier shall be treated as a separate do-
15 mestic telecommunications carrier and a separate inter-
16 national telecommunications carrier for purposes of ad-
17 ministering interconnection requirements;

18 “(2) in any case where such separate domestic
19 telecommunications carrier furnishes interconnection to
20 such separate international telecommunications carrier,
21 any interconnection which such separate domestic tele-
22 communications carrier furnishes to other international
23 telecommunications carriers shall be (A) equal in type
24 and quality; and (B) made available at the same rates
25 and upon the same terms and conditions; and

1 “(3) in any case in which such separate interna-
2 tional telecommunications carrier furnishes interconnec-
3 tion to such separate domestic telecommunications
4 carrier, any interconnection which such separate
5 international telecommunications carrier furnishes to
6 other domestic telecommunications carriers shall be (A)
7 equal in type and quality; and (B) made available at
8 the same rates and upon the same terms and condi-
9 tions.

10 “(c) Any person who violates any provision of this sec-
11 tion or any rule or order promulgated thereunder shall be
12 liable to the United States for an amount not to exceed
13 \$250,000 in an action commenced by the Attorney General.

14 “CARRIER CONTRACTS

15 “SEC. 607. (a) The Commission shall have authority to
16 vacate or require modification of, in whole or in part, any
17 contract, agreement, or arrangement entered into after the
18 date of enactment of this title between or among United
19 States carriers related to any regulated international tele-
20 communications service filed with the Commission under this
21 Act, if the Commission determines that such contract, agree-
22 ment, or arrangement is not consistent with this Act, or such
23 contract, agreement, or arrangement unjustly or unreason-
24 ably discriminates against any carrier.

1 “(b) The Commission shall have authority to declare
2 any contract, agreement or arrangement, or any portion
3 thereof, or any practice or act required thereby, between
4 United States and foreign carriers related to any regulated
5 international telecommunications service filed with the Com-
6 mission under this Act, to be unlawful if the Commission de-
7 termines that such contract, agreement, arrangement, or any
8 portion thereof, or such practice or act violates any provi-
9 sions of this Act.

10 “INTERNATIONAL TELECOMMUNICATIONS FACILITIES

11 “SEC. 608. (a)(1) The Commission may assess United
12 States carriers’ proposals for the construction and utilization
13 of international telecommunications facilities.

14 “(2) In assessing United States carriers’ proposals, the
15 Commission shall consult with affected United States carri-
16 ers, including persons seeking to participate in ownership and
17 operation of international telecommunications facilities, and
18 appropriate Federal agencies.

19 “(b) The Commission or any Commissioners may meet
20 with representatives of foreign telecommunications entities to
21 exchange information, except that—

22 “(1) proper notice shall be given to all interested
23 parties prior to any such meeting and such parties shall
24 be given an opportunity to comment on the subjects to
25 be discussed;

14

1 “(2) to the maximum extent feasible any meetings
2 with such representatives shall be public, and a report
3 of such proceedings shall be made part of the public
4 record; and

5 “(3) any data obtained by the Commission during
6 such meetings and used by the Commission must be
7 made available to the public. The Commission must
8 explain the manner in which such data was used.

9 “(c) It shall not be unlawful for United States carriers
10 jointly to meet together or with foreign telecommunications
11 entities for the purposes of planning or agreeing to interna-
12 tional facilities plans developed pursuant to this section: *Pro-*
13 *vided, however,* That this subsection shall not exempt any
14 carrier from the provisions of the antitrust laws for any
15 action taken by such carrier which is a violation of such laws
16 when taken by a single carrier.

17 “APPLICABILITY OF TITLE

18 “SEC. 609. The provisions of this title shall be applica-
19 ble only to international telecommunications services Except
20 to the extent otherwise provided in this title and by the Inter-
21 national Telecommunications Act of 1983, the provisions of
22 this Act which, immediately prior to the date of the enact-
23 ment of the International Telecommunications Act of 1983,
24 were applicable to international telecommunications services,

Not
described
see 601(c)
includes

1 including facilities used in connection therewith, shall con-
2 tinue to be applicable to such services and facilities.”.

3 TITLE II—INTERNATIONAL

4 TELECOMMUNICATIONS

5 SHORT TITLE

6 SEC. 201. This title may be cited as the “International
7 Telecommunications and Information Coordination Act of
8 1983”.

9 FINDINGS AND PURPOSE

10 SEC. 202. (a) The Congress finds that—

11 (1) the United States telecommunications and in-
12 formation industries make an important contribution to
13 international commerce and are vital to the economy,
14 national defense, security, and emergency preparedness
15 of the United States;

16 (2) although many governments of the world have
17 recognized the strategic importance of their telecom-
18 munications and information industries and have devel-
19 oped policies to promote those industries, the United
20 States has no coordinated international telecommunica-
21 tions and information policies;

22 (3) the authority and responsibility to develop
23 such policies is divided among Federal agencies on a
24 conflicting and often confusing basis; and

1 (4) the United States must have an effective
2 mechanism for the development of telecommunications
3 and information policies. The mechanism must coordi-
4 nate within the Federal Government and between the
5 Federal Government and the private sector.

6 (b) The Congress declares that it is the policy of the
7 United States—

8 (1) to maintain and promote a viable, strong, and
9 technologically competitive telecommunications indus-
10 try;

11 (2) to encourage and assist the competitive provi-
12 sion of telecommunications and information goods and
13 services in international commerce;

14 (3) to ensure the preservation and enhancement of
15 the principles of the free flow of telecommunications
16 services and information throughout the world;

17 (4) to ensure the existence of effective non-politi-
18 cal international telecommunications organizations and
19 other entities;

20 (5) to ensure the equitable treatment of United
21 States and foreign enterprises in all international mar-
22 kets of telecommunications and information goods and
23 services; and

1 (6) to ensure the effective coordination and repre-
2 sentation of United States interests in international
3 forums.

4 OFFICE OF THE SPECIAL REPRESENTATIVE FOR
5 TELECOMMUNICATIONS AND INFORMATION

6 SEC. 203. (a) There is established within the Executive
7 Office of the President the Office of the Special Representa-
8 tive for Telecommunications and Information (hereinafter in
9 this section referred to as the "Office").

10 (b)(1) The Office shall be headed by the Special Repre-
11 sentative for Telecommunications and Information who shall
12 be appointed by the President, by and with the advice and
13 consent of the Senate. Any nomination of the Special Repre-
14 sentative for Telecommunications and Information submitted
15 to the Senate for confirmation, and referred to a committee,
16 shall be referred to the Committee on Commerce, Science
17 and Transportation. The Special Representative for Telecom-
18 munications and Information shall hold office at the pleasure
19 of the President and shall have the rank of Ambassador.

20 (2) There shall be in the Office a Deputy Special Repre-
21 sentative for Telecommunications and Information who shall
22 be appointed by the President, by and with the advice and
23 consent of the Senate. Any nomination of a Deputy Special
24 Representative submitted to the Senate for confirmation, and
25 referred to a committee, shall be referred to the Committee

1 on Commerce, Science and Transportation. The Deputy Spe-
2 cial Representative for Telecommunications and Information
3 shall hold office at the pleasure of the President.

4 (3) The Special Representative for Telecommunications
5 and Information shall—

6 (A) be the chief representative of the United
7 States at international telecommunications and infor-
8 mation conferences;

9 (B) advise the President and Congress with re-
10 spect to international telecommunications and informa-
11 tion policies and coordinate executive branch develop-
12 ment of such policies;

13 (C) be responsible for making reports to Congress
14 with respect to the matters set forth in subparagraphs
15 (A) and (B);

16 (D) be chairman of the task force established pur-
17 suant to section 204 of this Act; and

18 (E) be responsible for such other functions as the
19 President may direct.

20 (4) The Deputy Special Representative for Telecommu-
21 nications and Information shall have as its principal function
22 the coordination of telecommunications and information poli-
23 cymaking in the executive branch as the Special Representa-
24 tive for Telecommunications and Information may direct.

1 (c) The Special Representative for Telecommunications
2 and Information may, for the purpose of carrying out his
3 functions under this section—

4 (1) subject to the civil service and classification
5 laws, select, appoint, employ, and fix the compensation
6 of such officers and employees as are necessary and
7 prescribe their authority and duties;

8 (2) employ experts and consultants in accordance
9 with section 3109 of title 5, United States Code, and
10 compensate individuals so employed for each day (in-
11 cluding traveltime) at rates not in excess of the maxi-
12 mum rate of pay for grade GS-18 as provided in sec-
13 tion 5332 of title 5, United States Code, and while
14 such experts and consultants are so serving away from
15 their homes or regular place of business, to pay such
16 employees travel expenses and per diem in lieu of sub-
17 sistence at rates authorized by section 5703 of title 5,
18 United States Code, for persons in Government service
19 employed intermittently;

20 (3) promulgate such rules and regulations as may
21 be necessary to carry out the functions vested in the
22 Office;

23 (4) utilize, with their consent, the services, per-
24 sonnel, and facilities of other Federal agencies; and

1 (5) enter into and perform such contracts, leases,
2 cooperative agreements, or other transactions as may
3 be necessary in the conduct of the work of the Office
4 and on such terms as the Special Representative for
5 Telecommunications and Information may deem appro-
6 priate, with any agency or instrumentality of the
7 United States, or with any public or private person,
8 firm, association, corporation, or institution.

9 (d) The Special Representative for Telecommunications
10 and Information shall, to the extent he deems it necessary for
11 the proper administration and execution of the telecommuni-
12 cations and information policies of the United States, draw
13 upon the resources of the Department of State, the Depart-
14 ment of Commerce, the International Communications
15 Agency, and the United States Trade Representative, and
16 consult with Federal agencies in connection with the per-
17 formance of his functions.

18 (e) There are authorized to be appropriated to the Office
19 of Special Representative for Telecommunications and Infor-
20 mation such amounts as may be necessary for the purpose of
21 carrying out its functions for fiscal year 1984 and each fiscal
22 year thereafter, any part of which is within the 5-year period
23 beginning on the date of the enactment of this Act.

1 ESTABLISHMENT OF THE TASK FORCE

2 SEC. 204. (a) There is established in the executive
3 branch an International Telecommunications and Information
4 Task Force (hereinafter in this title referred to as the "Task
5 Force"). The Task Force shall be the principal coordinating
6 body for the development of United States telecommunica-
7 tions and information policies.

8 (b) The membership of the Task Force shall consist of—

9 (1) The Special Representative for Telecommuni-
10 cations and Information; the Deputy Special Repre-
11 sentative for Telecommunications and Information; the
12 Secretary of Commerce, the Secretary of State, the
13 Secretary of Defense, the Attorney General, the
14 United States Trade Representative, the Chairman of
15 the Federal Communications Commission, the Assist-
16 ant Secretary of State for Telecommunications Affairs,
17 and the Director of the International Communications
18 Agency; and

19 (2) the members of the Task Force designated in
20 paragraph (1) may appoint a representative to serve in
21 their place. The representative shall be an official of a
22 rank no lower than that of Assistant Secretary or its
23 statutory equivalent. In the case of the Federal Com-
24 munications Commission, the Chairman may designate
25 another Commissioner and the Director of the Interna-

1 tional Communications Agency may designate the
2 Deputy Director of that agency. In the event that the
3 Secretary of Commerce designates a representative, it
4 shall be the Assistant Secretary for Telecommunica-
5 tions and Information.

6 (c) The Chairman of the Task Force shall be the Special
7 Representative for Telecommunications and Information.

8 (d) Whenever the Task Force considers matters that
9 affect the interests of Federal agencies not represented on the
10 Task Force, the Special Representative may invite the heads
11 of such agencies to designate representatives to participate in
12 the relevant deliberations of the Task Force.

13 (e) Members of the Task Force shall serve without addi-
14 tional compensation, but shall be reimbursed for actual and
15 necessary expenses, including travel expenses, incurred by
16 them in carrying out the duties of the Task Force.

17 (f) The Task Force shall terminate upon the expiration
18 of the 36-month period following the date of the enactment of
19 this title, except that the President may, at any time during
20 the 6-month period preceding the expiration of the term of
21 authority of the Task Force, extend the existence of the Task
22 Force for a period of not more than 3 years. Any extension
23 shall be made by Executive order. If the President chooses
24 not to extend the Task Force, he shall, by Executive order,

1 assign the responsibilities and authorities of the Task Force
2 to one department or agency.

3 POWERS OF THE TASK FORCE

4 SEC. 205. (a) The Task Force shall assist the Special
5 Representative in the development of consistent and compre-
6 hensive United States international telecommunications and
7 information policies and shall advise the President with re-
8 spect to those policies. In order to avoid duplicative and con-
9 flicting policies among Federal agencies, and to assure the
10 greatest possible cooperation among such agencies, the Task
11 Force shall—

12 (1) recommend to the Special Representative pro-
13 cedures for coordinating the policies of all Federal
14 agencies involved in international telecommunications
15 and information;

16 (2) review all significant policy determinations of
17 Federal agencies, and all proposed statements of
18 United States policy by such agencies, relating to in-
19 ternational telecommunications and information, and
20 approve, disapprove, or modify any such policy, deter-
21 mination, or proposed statement where necessary; and

22 (3) conduct a comprehensive study of the feasibil-
23 ity and desirability of alternatives to the International
24 Telecommunication Union (ITU), and assess the alter-
25 natives which are reasonably available. The results of

1 such study shall be reported to the Congress within the
2 180-period following the date of the enactment of this
3 Act.

4 The Task Force shall make recommendations to appropriate
5 Federal agencies in accordance with the findings of this
6 review. Those recommendations shall also be provided to the
7 President and the appropriate committees of the Congress.

(b) The provisions of subsection (a)(2) shall not apply to any action or determination of an independent regulatory agency made pursuant to the rulemaking or adjudicatory procedures set forth in sections 553, 554, 556, or 557 of title 5, United States Code, or pursuant to comparable statutory rulemaking or adjudicatory procedures.

(c) The Task Force shall make recommendations and reports to the President and the Congress on a regular basis.

TRANSFER OF FUNCTIONS

17 SEC. 206. (a) All functions vested in the Secretary of
18 State by section 5-201 of Executive Order 12046 of March
19 27, 1978, to the extent that they relate to the determination
20 of policies and positions, are transferred to the Office of the
21 Special Representative for Telecommunications and Informa-
22 tion.

(b) All functions vested in the Secretary of Commerce by section 2-404 of Executive Order 12046 of March 27, 1978, to the extent that they relate to the determination and

1 coordination of plans and policies, and, to the extent its pro-
2 visions relate to international telecommunications and infor-
3 mation, by section 2-501 of Executive Order 12046 of
4 March 27, 1978, are transferred to the Office of the Special
5 Representative for Telecommunications and Information.

6 (c) All functions vested in the Director of the Interna-
7 tional Communications Agency by section 6 of Executive
8 Order 12048 of March 27, 1978, to the extent that its provi-
9 sions relate to responsibility for advising the President, are
10 transferred to the Task Force.

11 ADMINISTRATIVE POWERS

12 SEC. 207. (a) For the purpose of carrying out its func-
13 tions under this Act, the Task Force may—

14 (1) utilize those services, personnel, and facilities
15 of the Department of State, the Department of Com-
16 merce, the International Communications Agency, and
17 the United States Trade Representative, that are used
18 for international telecommunications and information
19 activities;

20 (2) utilize, with their consent, the services, per-
21 sonnel, and facilities of any other Federal agency; and

22 (3) accept voluntary and uncompensated services,
23 notwithstanding the provisions of section 3679(b) of the
24 Revised Statutes (31 U.S.C. 665(b)).

1 (b) The Secretary of Commerce and the Secretary of
2 State shall designate such employees as are necessary to
3 serve as staff to the Task Force. The Special Representative
4 for Telecommunications and Information shall designate a di-
5 rector for the staff of the Task Force.

6 ADVISORY COMMITTEE

7 SEC. 208. (a) The Task Force shall establish an Adviso-
8 ry Committee on International Telecommunications and In-
9 formation (hereinafter in this title referred to as the "Com-
10 mittee") to provide overall policy advice to the Task Force
11 with respect to the functions of the Task Force. The Com-
12 mittee shall be composed of not more than 30 individuals and
13 shall include representatives of labor, manufacturers of tele-
14 communications, information, and data processing equipment,
15 other affected manufacturers, providers of telecommunica-
16 tions, information, and data processing services, other affect-
17 ed service industries, financial institutions, journalists, broad-
18 casters, consumer interests, the legal profession, users of
19 telecommunications services and equipment, and small busi-
20 ness.

21 (b) The members of the Committee shall designate a
22 Chairman and a Vice Chairman, who shall preside at meet-
23 ings in the absence of the Chairman.

24 (c) The Committee shall meet at the call of the Chair-
25 man to provide policy advice, technical advice and informa-

1 tion, and advice on other factors relevant to the activities of
2 the Task Force. A meeting of the Committee shall be held at
3 least once each calendar quarter.

4 (d) The Task Force shall, before approving under this
5 Act any statement of new United States policy relating to
6 international telecommunications and information, consult
7 with the Committee for the purpose of obtaining the views of
8 the Committee on the effect of the proposed submission on
9 the social and economic interests of the United States.

10 (e) The Task Force shall make available to the Commit-
11 tee such staff, information, personnel, and administrative
12 services and assistance as may reasonably be required to
13 carry out the activities of the Committee.

14 (f) The Task Force shall adopt procedures for consulting
15 with and obtaining information and advice from the Commit-
16 tee on a continuing and timely basis. Such consultation shall
17 include the provision of information to the Committee as to
18 (1) significant issues and developments, and (2) overall objec-
19 tives and positions of the United States with respect to the
20 development of telecommunications and information policies.
21 The Task Force shall not be bound by the advice or recom-
22 mendations of the Committee but the Task Force shall inform
23 the Committee of failures to accept such advice or recom-
24 mendations. The Task Force shall submit an annual report to
25 the appropriate committees of the Congress on consultations

1 with the Committee, issues involved in such consultations,
2 and the reasons for not accepting any advice or recommenda-
3 tions of the Committee.

4 TITLE III—MISCELLANEOUS

5 TRANSITION OF COMMISSION AUTHORITY

6 SEC. 301. All orders, determinations, rules, regulations,
7 permits, contracts, certificates, and privileges, which, pursu-
8 ant to the provisions of titles II and III of the Communica-
9 tions Act of 1934, as amended—

10 (1) have been issued, made, granted, or allowed to
11 become effective by the Federal Communications Com-
12 mission; and

13 (2) were in effect prior to the enactment of this
14 Act,
15 shall continue in effect according to their terms until modi-
16 fied, terminated, superseded, set aside, or repealed by the
17 Commission, by any court of competent jurisdiction, or by
18 operation of law.

19 INTERNATIONAL TELECOMMUNICATIONS

20 SEC. 302. The provisions of this Act, and the amend-
21 ments made thereby, shall apply only to the provision of in-
22 ternational telecommunications services or facilities. For the
23 purposes of this section, the term—

*includes
(see 601(c))*

1 (1) "international telecommunications service"
2 shall have the same meaning as that provided in sec-
3 tion 601(1) of the Communications Act of 1934, and
4 (2) "international telecommunications facilities"
5 means those facilities intended for the provision of in-
6 ternational telecommunications.

7 INTERNATIONAL ECONOMIC COMPETITION

8 SEC. 303. The Secretary of Commerce is authorized to
9 collect information on the competitiveness of United States
10 suppliers of telecommunications equipment and services, for-
11 eign direct investment in the United States telecommunica-
12 tions industry, foreign laws and administrative controls on
13 access of United States persons to foreign markets, the
14 degree of equitable access to foreign markets by United
15 States persons, United States share of global markets, and
16 such other information as the Secretary deems necessary,
17 and shall report any findings to the Congress on a periodic
18 basis.

19 COMMUNICATIONS SATELLITE ACT OF 1962

20 SEC. 304. (a) Section 102(d) of the Communications
21 Satellite Act of 1962 is amended to read as follows:

22 "(d) It is not the intent of Congress by this Act to pre-
23 clude the use of the communications satellite system for do-
24 mestic communication services where consistent with the
25 provisions of this Act nor to preclude the creation of addition-

1 al domestic and international communications satellite sys-
2 tems, if required to meet unique governmental needs or if
3 otherwise required in the national interest or if such other
4 communications satellite systems will otherwise serve the
5 public interest, convenience and necessity.”.

6 (b) Paragraph (8) of subsection (c) of section 201 of the
7 Communications Satellite Act of 1962, as amended (47
8 U.S.C. 721(c)(8)), is repealed.

9 (c) Section 301 of the Communications Satellite Act of
10 1962, as amended (47 U.S.C. 731), is amended by deleting
11 “to the District of Columbia Business Corporation Act” and
12 inserting in lieu thereof “to the laws governing corporations
13 in the jurisdiction within the United States in which it is
14 incorporated”.

15 (d) Section 303(a) of the Communications Satellite Act
16 of 1962, as amended (47 U.S.C. 733(a)), is amended to read
17 as follows:

18 “(a) The corporation shall have a board of directors who
19 shall be elected annually by the stockholders. All board mem-
20 bers shall be citizens of the United States, and one board
21 member shall be elected annually by the board to serve as
22 chairman: *Provided, however,* That effective 1 year after this
23 Act takes effect no directors incumbent shall be eligible to
24 hold office as members of the board unless elected in accord-
25 ance with this section. The articles of incorporation of the

1 corporation shall provide for cumulative voting and, in the
2 manner prescribed by the laws governing corporations in the
3 jurisdiction in which the corporation is incorporated, may be
4 amended, altered, changed, or repealed by a vote of the out-
5 standing shares of the voting capital stock of the corporation
6 owned by stockholders who are communications common car-
7 riers and by stockholders who are not communications
8 common carriers, voting together, if such vote complies with
9 all other requirements of this chapter and of the articles of
10 incorporation of the corporation with respect to the amend-
11 ment, alteration, change, or repeal of such articles. The cor-
12 poration may adopt such bylaws as shall, notwithstanding the
13 provisions of the law of any State or of the District of Colum-
14 bia, provide for the continued ability of the board to transact
15 business under such circumstances of national emergency as
16 the President of the United States, or the officer designated
17 by him, may determine, after February 18, 1969, would not
18 permit a prompt meeting of a majority of the board to trans-
19 act business.”.

20 (e) Section 304(a) of the Communications Satellite Act
21 of 1962, as amended (47 U.S.C. 734(a)), is amended by in-
22 serting immediately before “without” the following: “with
23 or”.

1 (f) Section 304(e) of the Communications Satellite Act
2 of 1962, as amended (47 U.S.C. 734(e)), is amended to read
3 as follows:

4 “(e) Any record holder of the stock of the corporation,
5 without regard to the percentage of stock so held, shall have
6 the right to examine, in person, or by agent or attorney, at
7 any reasonable time or times, for any proper purpose, the
8 corporation’s record of shareholders and to make extracts
9 therefrom.”.

10 (g) Section 305(b) of the Communications Satellite Act
11 of 1962 is amended to read as follows:

12 “(6) to provide international services directly to
13 the public. *Provided, however,* That the Commission
14 shall have the authority to require that such common
15 carrier services be provided by a fully separate corpo-
16 rate subsidiary of the corporation if the Commission
17 determines such action is required by the public inter-
18 est, convenience and necessity.”.

19 (h) Section 305(c) of the Communications Satellite Act
20 of 1962, as amended (47 U.S.C. 735(c)), is amended to read
21 as follows:

22 “(c) To carry out the foregoing purposes, the corpora-
23 tion shall have the usual powers conferred upon a stock cor-
24 poration by the laws of the jurisdiction in which it is incorpo-
25 rated.”.

1 (i) Section 201(c)(7) of the Communications Satellite
2 Act of 1962 is amended to read:

3 “(7) grant appropriate authorization for the con-
4 struction and operation of each satellite terminal sta-
5 tion to: the corporation; one or more authorized carri-
6 ers; the corporation and one or more such carriers
7 jointly; or to persons other than the corporation or au-
8 thorized carriers, as will best serve the public interest,
9 convenience and necessity;”.

10 (j) Section 103 of the Communications Satellite Act of
11 1962 (47 U.S.C. 702) is amended—

12 (1) by striking “and” at the end of paragraph (9);

13 (2) by striking the period at the end of paragraph
14 (10) and inserting in lieu thereof “; and”; and

15 (3) by adding at the end thereof the following:

16 “(11) the terms ‘authorized user’ and ‘authorized
17 entity’ mean a user or entity, other than an authorized
18 carrier, which has been authorized by the Commission
19 to obtain channels of communications in the communi-
20 cations satellite directly from the corporation.”.

21 (k) Section 201(c) of the Communications Satellite Act
22 of 1962 (47 U.S.C. 721(c)) is amended—

23 (1) by striking “and” at the end of paragraph

24 (10);

1 (2) by striking the period at the end of paragraph

2 (11) and inserting in lieu thereof “; and”; and

3 (3) by adding at the end thereof the following:

4 “(12) authorize users and entities other than au-
5 thorized carriers to acquire channels of communications
6 in the communications satellite system directly from
7 the corporation whenever the Commission finds such
8 acquisition will serve the public interest.”.

9 EXECUTIVE SUPERVISION OF FOREIGN RELATIONS AND
10 ACTIVITIES

11 SEC. 305. (a) The President, through the Special Rep-
12 resentative for Telecommunications and Information, shall
13 exercise such supervision over, and issue such instructions to,
14 the corporation in connection with its relationships and activ-
15 ities with foreign governments, international entities, and the
16 International Telecommunications Satellite Organization
17 (INTELSAT) as may be necessary to ensure that such rela-
18 tionships and activities are consistent with the national inter-
19 est and foreign policy of the United States.

20 (b) The Commission is authorized to issue instructions to
21 the corporation with respect to regulatory matters within the
22 jurisdiction of the Commission. In the event an instruction of
23 the Commission conflicts with an instruction of the President
24 pursuant to subsection (a) of this section, the instructions
25 issued by the President shall prevail.

1 ASSISTANT SECRETARY OF STATE

2 SEC. 306. (a) There shall be within the Department of
3 State an "Assistant Secretary of State for Telecommunica-
4 tions Affairs". Such Assistant Secretary of State shall be ap-
5 pointed by the President, with the advice and consent of the
6 Senate, and shall serve at the pleasure of the President and
7 shall have the rank of Ambassador. Such Assistant Secretary
8 shall perform such duties as shall be prescribed by the Secre-
9 tary of State, including the formulation and implementation
10 of policy regarding foreign economic matters in the area of
11 telecommunications, and advising the Secretary of State with
12 respect thereto.

13 (b) Section 5316 of title 5, United States Code, is
14 amended by adding at the end thereof the following:

15 "Assistant Secretary of State for Telecommunica-
16 tions Affairs."

17 REDESIGNATION OF TITLE VI OF THE COMMUNICATIONS
18 ACT OF 1934 AND NATIONAL DEFENSE AND EMER-
19 GENCY PREPAREDNESS

20 SEC. 307. The provisions of title VI of the Communica-
21 tions Act of 1934 as such title existed on the date immediate-
22 ly preceding the date of the enactment of this Act are hereby
23 redesignated as title VII and sections 601 through 606
24 thereof are redesignated as sections 701 through 706, respec-
25 tively, sections 607, 608, and 609 thereof are redesignated

1 as sections 708, 709, and 710, respectively, and the follow-
2 ing new section is inserted after the newly designated section
3 706:

4 "NATIONAL DEFENSE AND EMERGENCY PREPAREDNESS

5 "SEC. 707. (a) The President may establish a plan to
6 ensure the availability of telecommunications services, facili-
7 ties, and equipment necessary to meet the national defense
8 and emergency preparedness needs of the United States and
9 to ensure the continuity and prompt initiation or restoration
10 of the communications essential to national defense or emer-
11 gency preparedness.

12 "(b) Pursuant to any plan established under subsection
13 (a), the President may request carriers to engage in meetings
14 for the purpose of assuring the establishment and mainte-
15 nance of networks of telecommunications services and facili-
16 ties adequate to maintain the national defense and emergency
17 preparedness of the United States: *Provided*, That this sub-
18 section shall not exempt any carrier from the provisions of
19 the antitrust laws for any action taken by such carrier which
20 is a violation of such laws when taken by a single carrier.

21 "(c) The President shall appoint an advisory council of
22 not to exceed 30 members to examine the structure, policy,
23 and needs of Federal telecommunications management for
24 national security and emergency preparedness to ensure that
25 the United States shall have a technologically advanced and

37

- 1 economically viable telecommunications industry for the pur-
- 2 poses of the national defense and economic advancement.”.

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